## AMENDED IN ASSEMBLY JANUARY 5, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

## ASSEMBLY BILL

No. 1335

## **Introduced by Assembly Member Lara**

February 18, 2011

An act-to amend Section 16281 of the Government Code, relating to local government the City of Bell.

## LEGISLATIVE COUNSEL'S DIGEST

AB 1335, as amended, Lara. Local government: officials: salary increases. City of Bell: business license taxes: unlawful increases and charges.

Existing law prohibits the legislative body of a city or county from imposing, extending, or increasing any general tax unless that city or county has submitted the proposed imposition, extension, or increase to the electorate and the electorate approves the imposition, extension, or increase by majority vote.

This bill would require the City of Bell to return all funds attributable to unlawful increases in business license taxes charged during the calendar years 2000 to 2010, inclusive, to those licensees affected by those unlawful increases.

This bill would make legislative findings and declarations as to the necessity of a special statute for the City of Bell.

Existing law makes certain findings and declarations relating to the prohibition against the availability of state surplus or state loan funds, in the 1978–79 fiscal year, to any local public agency that provides an increase in salary in that fiscal year to any elected or appointed official, and cost-of-living increase for other individuals.

AB 1335 -2-

This bill would make technical, nonsubstantive changes to these findings and declarations.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- SECTION 1. (a) The Legislature hereby finds and declares that, pursuant to the Controller's audit report, City of Bell: Audit Report: Administrative and Internal Accounting Controls, the City of Bell illegally adopted increased business license taxes, used for general governmental purposes, without the required voter approval during the calendar years 2000 to 2010, inclusive.
  - (b) The City of Bell shall return all funds attributable to unlawful increases in business license taxes charged during the calendar years 2000 to 2010, inclusive, to those licensees affected by those unlawful increases.
  - SEC. 2. The Legislature finds and declares that a special law is necessary and that a general law cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique circumstances encountered by the City of Bell with respect to the collection of business license taxes.
  - SECTION 1. Section 16281 of the Government Code is amended to read:
  - 16281. It is the intent of the Legislature in enacting this chapter to alleviate the current fiscal crisis created by the passage of Proposition 13 (Article XIII A of the California Constitution), and to provide for maintaining essential services which would otherwise be lost.
    - The Legislature finds and declares that limiting increases in wages or salaries for local public agency officers and employees and cost-of-living increases for other individuals will allow essential local government services to be maintained at a higher level than would otherwise be the case, and will promote full employment and prevent layoffs.
  - The Legislature further finds and declares that this chapter constitutes a matter of statewide concern, and shall apply to charter counties and charter cities. The provisions of this chapter shall

\_3\_ **AB 1335** 

- 1 supersede any inconsistent provisions in the charter of any county
  2 or city.